

STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT

IN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION  
CASE NO.

TOWN OF BELHAVEN, NC; and THE  
NORTH CAROLINA NAACP STATE  
CONFERENCE OF BRANCHES, THE  
HYDE COUNTY NAACP BRANCH, and  
THE BEAUFORT COUNTY NAACP BRANCH,

Plaintiff,

vs.

PANTEGO CREEK, LLC; and  
VIDANT HEALTH, INC.,

Defendants.

**TRANSCRIPT**

The above-captioned case coming on for hearing at the  
August 11, 2014 Session of the Superior Court of  
Wilson County, Wilson, North Carolina, before the  
Honorable Milton F. Fitch, Jr., Judge presiding, the  
following proceedings were had, to wit:

DATE REQUESTED: 8-14-14

DATE RECEIVED: 8-23-14

A P P E A R A N C E S

For the Plaintiffs: Alan McSurely, Esquire  
109 N. Graham Street  
Suite 100  
Chapel Hill, North Carolina 27516

John B. Tate, III, Esquire  
P.O. Box 700  
685 NC Hwy 33 East, Unit A  
Chocowinity, North Carolina 27817

Also present: Adam O'Neal, Mayor of Town of Belhaven

For the Defendant/  
Pantego Creek: Arey W. Grady, III, Esquire  
Sumrell, Sugg, et al.  
416 Pollock Street  
P.O. Drawer 889  
New Bern, North Carolina 28563

For the Defendant/  
Vidant Health: Gary S. Qualls, Esquire &  
Mary Beth Johnston, Esquire  
K&L Gates, LLP  
430 Davis Drive  
Suite 400  
Morrisville, North Carolina 27560

1 (The following proceedings took place on Thursday, August 14,  
2 2014 beginning at 10:40 a.m. with Plaintiffs' Counsel and  
3 Defendants' Counsel present.)

4 THE COURT: We're here on a motion for a  
5 temporary restraining order filed by the Town of Belhaven,  
6 North Carolina, North Carolina NAACP State Conference of  
7 Branches, Hyde County NAACP Branch and the Beaufort County  
8 NAACP Branch against Pantego Creek, LLC and Vidant health.

9 It appears to the Court that this is a situation  
10 concerning a health care provider in Belhaven that purports to  
11 cease and desist, opposed to, according to the allegation, to  
12 turn certain equipment and facilities over to the Town of  
13 Belhaven. It's alleged that they did not do so nor did they  
14 maintain the property up to July 1, 2014 and have continued to  
15 let the hospital deteriorate until July 24, 2014 when the deed  
16 was filed transferring the property to Pantego. Since then  
17 there's been several incidents that indicate that Vidant still  
18 controls the property.

19 They allege that there are federal statutes that are  
20 possibly in violation of Title 6. Purpose of the TRO is to  
21 hold everything in place as it is at this point in time. I'll  
22 allow any further waste until the matter can be heard on a  
23 permanent injunction ten days at least or more. I'll be glad  
24 to hear -- this is an action either filed or to be filed in the  
25 county of Beaufort. I am hearing the matter because I have

1       been assigned this six months in rotation to that judicial  
2       district to which the Honorable Wayland Sermons is the Senior  
3       Resident Judge who has indicated to this Court that he has a  
4       possible conflict and asked if I had a problem with hearing the  
5       matter. My reminder of the law any Superior Court Judge in or  
6       out of court session may hear a motion for TRO; therefore,  
7       we're here. All right. Glad to hear the Plaintiff.

8                       MR. MCSURLEY: Your Honor, I'm Alan  
9       McSurely from Chapel Hill and this is John Tate who represents  
10      Adam O'Neal who is the Mayor of Belhaven and the town council  
11      in Belhaven. We're partners in this endeavor to try to get a  
12      status quo thing and I want to be very brief.

13                     THE COURT: I would like for you to be.  
14      This is not a preliminary injunction. This is a temporary  
15      restraining order.

16                     MR. MCSURELY: What we have here, and I  
17      know Your Honor is sensitive to this situation, is that on one  
18      hand we believe, both the NAACP that I represent and the Town  
19      of Belhaven that my friend represents, is that we had a good  
20      working relationship with Vidant and Mary Beth Johnston who's  
21      sitting over here at this table, and we worked out this deal.  
22      And then all of a sudden we hear about another entity that  
23      instead of Vidant turning over the hospital to us, which they  
24      promised to do on or about July 1st, they turned it over to the  
25      LLC, Pantego Creek, LLC creating what we call a glitch in our

1 agreement.

2 THE COURT: An agreement that you had with  
3 Vidant, is it in writing?

4 MR. McSURELY: Yes, it's in your packet  
5 there, Your Honor.

6 And when we found that out we knew -- we had filed a  
7 Title VI which you know about -- in January. The federal  
8 government asked us if we'd be willing to mediate. The NAACP  
9 said yes; the mayor said yes and Vidant said yes, and we worked  
10 out a voluntary agreement which you know is the best kind. And  
11 then all of a sudden it just blew up in late June.

12 So I think of that line in Paul Newman's movie -- I  
13 forget the movie but I think what we have here is a failure to  
14 communicate.

15 But what we have now, Judge --

16 THE COURT: That was Cool Hand Luke.

17 MR. McSURELY: Cool Hand Luke, you're  
18 right. And what we have here is --

19 THE COURT: You're not alleging that you  
20 are on the chain gang and you wanted to talk and here is the  
21 man who you got a failure to communicate with when Newman  
22 wanted to do something and he raised his hand and turned to the  
23 boss as the movie said, he didn't quite understand what he  
24 wanted, is that what you're alleging?

25 MR. McSURELY: Well, you can read whatever

1     you want to into my metaphor, Your Honor.

2             But be that as it may, what we have now we have a  
3     mediator in Atlanta, works for the Department of Justice,  
4     willing to fly up here at any time to get these parties back to  
5     the table and finish this work.

6             On the other hand, we have Belhaven on the ground,  
7     trucks coming by hauling stuff out of the building, fire  
8     department chiefs that work for the mayor here saying that  
9     Vidant, not Pantego Creek, but Vidant is pulling stuff out of  
10    the building. I have talked to the lawyer for Belhaven, for  
11    Vidant, they say, oh, no, we're not going to demolish the  
12    building; we don't even own the building.

13            So what we have is a difficult situation and we need  
14    help. That's what it comes down to. And what we don't want,  
15    while on one hand we would love to have mediation resume and  
16    have people talk together and try to finish out what could be a  
17    win/win situation for everybody in Belhaven and in that whole  
18    region which you know well. On the other hand, we have a  
19    multi-million dollar corporation, Vidant out of Greenville, who  
20    is daily has their cops out there, their security guards  
21    kicking people off the property. We have information that they  
22    have contract with the LLC to pay them \$800,000 to demolish the  
23    building, to tear it down, things like that, that are all over  
24    town. Some of it -- I'll save this for the actual hearing that  
25    we have on it. But we believe that right now there is a direct

1 threat to this building that Mayor O'Neal and the town, the new  
2 town community board that we've helped create, take over the  
3 hospital which was per our agreement with Vidant has a direct  
4 interest in this property.

5 If you'll look at the deed, I know, Judge Fitch,  
6 you'd be interested, there's a deed attached in there that goes  
7 back to 1948. Some families in Belhaven including Mayor  
8 O'Neal's great granddaddy or maybe granddaddy, 1948, great  
9 granddaddy, owned some of the land. If you'll remember, Harry  
10 Truman came after the war, came back and passed this  
11 Hill-Burton grant to build small rural hospitals all over the  
12 country partly for the GI's coming back and partly to have the  
13 first open desegregated hospitals in many parts of the country  
14 particularly in the south. And this Belhaven hospital which  
15 has always been called Pungo District Hospital was one of those  
16 fully funded by the federal government with the land given by  
17 citizens in the area for that hospital.

18 So all of that we would like to have a chance to  
19 present to you over when we have our full hearing. But right  
20 now what we want and we'd ask for is to keep the hospital not  
21 from deteriorating anymore. You know that area, the humidity,  
22 et cetera, it's right on the water. We have information that  
23 they're going to turn the electricity off which would turn the  
24 air conditioner humidifier off, which it's like, you know, if  
25 your refrigerators goes off all the food gets rotten and that's

1 what's going to happen in this hospital. So we have an  
2 immediate need for you to do a status quo order to maintain the  
3 status quo until we have a chance to look into this.

4 We would hope that in the ten days or whatever,  
5 however many days you give till the full hearing, that we have  
6 an opportunity to talk to our friends across the aisle here and  
7 particularly with a very good mediator who already knows all  
8 the players, it won't take her any time at all to get up to  
9 speed and maybe we could come back and work this out without  
10 your having to make a final ruling.

11 Be glad to answer any questions.

12 THE COURT: Now on July the 2nd --

13 MR. McSURELY: You're looking at the deed?

14 THE COURT: -- 2014 Pungo District Hospital  
15 Corporation, the mailing address care of Vidant Health,  
16 grantor, purports to convey the Pungo Creek, LLC, a North  
17 Carolina Limited Liability Corporation. And this was done, you  
18 indicate, even though you had a written agreement from the  
19 parties, that your group would be taking over and handling this  
20 situation; is that correct?

21 MR. McSURLEY: On July 1st.

22 THE COURT: Well, the deed said it made it  
23 effective July the 2nd.

24 MR. McSURELY: If you look at the top,  
25 Judge, that deed sat around for three weeks and they filed it



1 on July 24th.

2 THE COURT: What says the Defendant, either  
3 one or both or all three of you?

4 MR. GRADY: Good morning. Arey Grady from  
5 the Sumrell, Sugg firm in New Bern. I represent Pantego Creek,  
6 LLC. Frankly, Your Honor, I don't have much to say this  
7 morning. We were presented this partially signed complaint  
8 that I will note has not been filed to our knowledge with any  
9 court this morning about an hour and a half ago. It's next to  
10 impossible to, you know, respond in such a manner.

11 For the record, I must respectfully make a couple of  
12 objections, Your Honor.

13 THE COURT: Go right ahead.

14 MR. GRADY: Preserve some defenses that I  
15 may have.

16 THE COURT: Go right ahead.

17 MR. GRADY: I would like to note that my  
18 appearance today is very limited and specifically for the  
19 purpose of objecting to the Court's jurisdiction over this  
20 matter and, Your Honor, your authority to rule on this matter.  
21 So don't put me in jail for saying that.

22 THE COURT: No, sir. No, sir. Listen,  
23 whoa. You can say whatever you'd like to say to me. You are  
24 an officer of this court and you understand that the most  
25 important thing is the respectability of what you say. I

1 understand you're an advocate for your side and that's why you  
2 maintain to preserve the record.

3 MR. GRADY: Yes, sir.

4 THE COURT: You make your arguments. I  
5 make my rulings. I note your exceptions and preserve them for  
6 the record should there be. Most, most TRO's, aren't even,  
7 don't even have a transcript.

8 MR. GRADY: Yes, sir.

9 THE COURT: But I thought that it would be  
10 wise if we would place it on the record should you ever have a  
11 need to have to look at it. Go right ahead.

12 MR. GRADY: I appreciate that and we  
13 couldn't ask for more.

14 I would also like to preserve our right to remove  
15 this matter to federal court. It certainly raises substantial  
16 legal issues under federal law. Certainly we were not in a  
17 position to do that before today's hearing having not received  
18 a pleading of any type.

19 Your Honor, on the jurisdictional issues, if the  
20 complaint has not been filed there's no case in the court  
21 system. There is nothing to adjudicate.

22 THE COURT: Has a summons been filed?

23 MR. GRADY: Not to our knowledge, Your  
24 Honor. So we contend there is no matter properly before any  
25 court in this state as I stand here right now.

1 THE COURT: What says the Plaintiffs as to  
2 that?

3 MR. MCSURELY: Your Honor, Mr. Tate had to  
4 leave before the courthouse opened this morning to get here at  
5 9:00 and he's going to file it when he gets back in Washington.  
6 He lives in Washington.

7 MR. GRADY: Then this matter is premature,  
8 Your Honor. There's no case pending before the judicial system  
9 of this state as we sit here this morning.

10 THE COURT: All right. All right.

11 MR. GRADY: Furthermore, Your Honor --

12 THE COURT: All right then, if that is your  
13 objection, then I'll recess this hearing until 3:30 and I would  
14 urge the parties to allow the status quo as it is at this point  
15 in time to remain.

16 We stand adjourn until 3:30.

17 MR. GRADY: Thank you, Your Honor.

18 (Proceedings adjourned at 11:03 to reconvene at 3:30 p.m.

19 At 3:30 p.m. the following proceedings took place.)

20 THE COURT: All right. Let us just say  
21 that while we heard brief statements from the Plaintiff earlier  
22 and then the Defendant started his statements and then the  
23 Defendant raised the issue that the jurisdiction of the Court  
24 of the matter wasn't in court, the Court in its discretion  
25 allowed leave to go then file and based on judicial economy

1 just made sense that we just not, and in the interest of  
2 justice, just made sense that we would go and handle the  
3 matters since all parties were here, parties appeared to be  
4 ready and while technically that was the issue, the Court knows  
5 that that was the issue, rather than for it to be filed after  
6 the fact, we just postponed it and now it's done. I imagine  
7 that the Defendant still has objection to the Court even  
8 hearing the matter even now and I'll note their exception and  
9 preserve it for the record.

10 All right. Now do you want to finish where we were?

11 MR. GRADY: Yes, sir, Your Honor. And I  
12 was just about finished but I will reiterate, we do reiterate  
13 our objections to the jurisdiction as you just noted. And we  
14 do reserve our right to remove this to federal court. Again,  
15 this is a limited appearance on my behalf.

16 Your Honor, I will end by suggesting that if you're  
17 inclined to grant any part of the Plaintiff's motion today and  
18 have a return with a fuller evidentiary hearing later this  
19 month or into September, I would strongly urge Your Honor to  
20 include in the order that -- and let me get the name right --  
21 pardon me -- that the Pungo District Hospital Community Board,  
22 Inc. be joined as a party. And, Your Honor, I ask for that for  
23 two reasons. As you just noted in the interest of judicial  
24 economy, efficiency in having all the parties before the Court  
25 that may be necessary for a full resolution of the facts.

1           When you look at the agreement that the Plaintiffs  
2     have tendered, many of the benefits flow to that entity and  
3     from my client's perspective, the only time that we were  
4     mentioned in this agreement is paragraph 6. It says, (as  
5     read): "Vidant will deed the property to Pantego Creek, LLC  
6     contingent on the Pungo District Hospital Community Board, Inc.  
7     and the LLC negotiating a mutually accepted lease, the hospital  
8     property", et cetera, so forth.

9           So to the extent that we're in this case, we think  
10    the only conceivable party that we have a contractual  
11    obligation to should be in the case also.

12           Again, getting ahead of myself a little bit but,  
13    again, if you grant some relief today we would like to have  
14    that party back before the Court when we return on the fuller  
15    hearing when the judge might order it. Thank you, Your Honor.

16                   THE COURT: Yes, sir.

17                   MR. QUALLS: Thank you, Your Honor.

18           Gary Qualls on behalf of Defendant Vidant, Your  
19    Honor, and we would also just not make a general appearance but  
20    a special appearance as well.

21           I did want to note for the record that we received  
22    the notice of this hearing by e-mail at 5:48 p.m. last night.  
23    I wanted to make a note of that.

24           Your Honor, I do want to be brief but I want to cover  
25    some of the allegations that were in the complaint as well as

1 in Mr. McSurley's presentation. First of all, Vidant denies  
2 all of the allegations in the complaint and those made today  
3 orally.

4 I can talk as much or as little as you would like --

5 THE COURT: As little as likely.

6 MR. QUALLS: Thank you.

7 But I can answer any questions about Vidant's efforts  
8 to the thorough decisions that led to Vidant's decision to  
9 close the old hospital and offer to open a new replacement  
10 facility that Vidant was willing to pay 2.4 million dollars to  
11 build.

12 And so that tells a little bit of the big picture.  
13 I'll be happy to answer any questions on that.

14 If I could approach, Your Honor, and hand up one  
15 thing that Mr. McSurley referred to -- may I approach, Your  
16 Honor?

17 THE COURT: You may.

18 (Mr. Qualls tendered documents to the Court.)

19 MR. QUALLS: I do want to hand up the  
20 mediation agreement. That was referred to -- let me get extra  
21 copies of that. Your Honor, I thought I had extra copies.  
22 That is what -- if I gave you the right thing.

23 THE COURT: Let me give it back to you  
24 because I have it as Exhibit A supplement in the, should be  
25 Exhibit B.

1 MR. QUALLS: Yes, that's what I was going  
2 to mention is it's slightly differently paginated and I just  
3 wanted to make sure that you had the entire document.

4 If you look over, Your Honor, on the second page of  
5 Exhibit B, Mr. McSurely had indicated that they were somehow  
6 caught by surprise by Vidant in the mediation that he referred  
7 to and what I want to point out to you is if you look at  
8 paragraph 6 on page 2 of the mediation agreement, it's clear in  
9 that paragraph that Vidant would deed the hospital property  
10 including improvements to Pantego Creek, Mr. Grady's client.  
11 And then it says, (as read): "Contingent on the Pungo District  
12 Hospital Community Board and the LLC negotiating a mutually  
13 acceptable lease, the hospital property and building will be  
14 leased to the new Pungo District Hospital Community Board at a  
15 nominal rate."

16 So it was clear in that mediation and coming out of  
17 that mediation that Vidant was going to convey, pursuant to a  
18 prior agreement, the property upon which the old hospital was  
19 situated as well as the building to Pantego Creek. So to the  
20 extent that Plaintiffs suggest that Vidant somehow pulled a  
21 fast one on them and didn't apprise them that we were going to  
22 sell the property to Pantego Creek, that is clearly untrue  
23 because it was contemplated in the mediation agreement.

24 Now, there is, we would say that there is nothing to  
25 enjoin Vidant against here. Even if you were to enter a TRO,

1 which we don't believe you should, but there's nothing to  
2 enjoin Vidant on because Vidant doesn't own the real property.  
3 It doesn't own the hospital building, the old hospital building  
4 that used to be operated as a hospital by Vidant. Vidant no  
5 longer owns or operates a licensed hospital on that property.  
6 Vidant would not have the legal ability to comply with a TRO  
7 regarding the property because the property is not Vidant's.  
8 So there's no status quo for Vidant to preserve.

9           The personal property, I just wanted to mention  
10 briefly, Mr. McSurely had referenced personal property that was  
11 being apparently taken from the property that Pantego Creek  
12 owns. And that was referenced in the complaint as well. And  
13 that is the removal of personal property from the former  
14 hospital site by third party vendors. Those were items of  
15 equipment that were leased to Vidant when they were operating a  
16 hospital. Obviously third party vendors are coming to pick up  
17 that old equipment that used to be used. He mentioned a crane  
18 that was seen on site. That was to remove some oxygen  
19 suppliers' equipment. So those are all third parties coming to  
20 remove equipment.

21           And if I could, Your Honor, the agreement that was  
22 indicated in the mediation agreement to convey the property to  
23 Pantego Creek from Vidant was, as I mentioned, pursuant to a  
24 pre-existing agreement that was entered into between Vidant and  
25 Pantego Creek in 2011 when Vidant took over the operation of



1 the hospital and then was revised in 2014.

2 Vidant has been apprising the Plaintiffs for roughly  
3 a year that Vidant would need to close Pungo Hospital and open  
4 a smaller facility that would fit the community needs and would  
5 be consistent with what was a low inpatient volume, the low  
6 E.D. volume and the difficulty in recruiting enough physicians  
7 for the community.

8 So in conclusion, Your Honor, this is really not  
9 Vidant's fight in terms of the TRO here because we don't own  
10 the property. We don't know how Plaintiffs have shown that  
11 there's a likelihood of success on the merits. We don't know  
12 how -- we don't see anything where they have indicated that  
13 there's an immediate and irreparable loss or harm that is of  
14 concern. And certainly from Vidant's perspective the  
15 Plaintiffs cannot, we don't believe, tell third party vendors  
16 they can't come and pick up their equipment nor can they --

17 THE COURT: Vidant can't but I can if I  
18 maintain the status quo. That means whatever is there stays  
19 there until this matter can be heard.

20 MR. QUALLS: Your Honor, we understand that  
21 but we don't think that Vidant can exercise rights over the  
22 real property that it doesn't own so that's my main point.

23 THE COURT: All right.

24 MR. QUALLS: So we would ask that you deny  
25 the TRO request and if you do grant the TRO request that you do

1 not grant relief against Vidant that it cannot perform because  
2 we do not own the property. Thank you, Your Honor.

3 THE COURT: Is Vidant security still there?

4 MR. QUALLS: On the property?

5 THE COURT: Yes.

6 MS. JOHNSTON: May I?

7 THE COURT: I don't care who answers. The  
8 question is: Is Vidant still having their security force there  
9 on that property, yes or no?

10 MS. JOHNSTON: Not on the property that is  
11 the hospital proper as going forward. Let me explain that.

12 THE COURT: Whose security force is there  
13 now?

14 MS. JOHNSTON: Vidant's security force has  
15 been trying to maintain the building as it is, but let me  
16 explain. There is an easement around the hospital property.

17 THE COURT: All right. That easement was  
18 there before.

19 MS. JOHNSTON: For the Helipad. So it's  
20 got interests in terms of making sure that Helipad is secure.  
21 But if -- at the end of the day, the desire was to make sure  
22 that nothing happened to that building.

23 THE COURT: Well, if that was the desire of  
24 Vidant to make sure that nothing happened to that building, you  
25 know, you're arguing two different points. One point Vidant

1 wants to make sure nothing happens and another side you want to  
2 say, well, Vidant has no interest in it; whatever happens  
3 happens. And so I think that that's two inconsistent ways and  
4 we going to do this.

5 August the 25th. I'm going to let the status quo  
6 stay as it is right now.

7 We're going to do as you ask, sir. We're going to  
8 join in the interest of justice all the parties that have an  
9 interest in this matter. Pungo will be brought into this  
10 lawsuit and made a party thereto along with its board. So now  
11 we got everybody. If we now have everybody and the status  
12 stays as it is now, we'll fur, either through mediation or  
13 otherwise, where we go from here.

14 Ask Bill where am I on the 25th. Where am I in that  
15 district, 25th of August.

16 (Discussion between the Court and Trial Court Administrator was  
17 held off the record.)

18 THE COURT: All right. Talk to me if you  
19 will about what bond do you want.

20 MR. GRADY: Well, judge, that's a great  
21 question. I couldn't even begin to tell you. We haven't even  
22 been able to --

23 THE COURT: Tell you what we'll do. We'll  
24 adjourn right now. You two go talk to one another which I  
25 thought you all were going to do over the break. You know

1 these issues would come up. You come back to me in about ten  
2 minutes and give me an idea of how you're trying to show me  
3 that you're trying to work to resolve this matter. I'll stand  
4 down for ten minutes.

5 MR. GRADY: Thank you, Your Honor.

6 (Court stood at ease from 3:37 p.m. until 4:12 p.m.)

7 THE COURT: All right. Did you all make an  
8 agreement on bond?

9 MR. GRADY: No, sir.

10 MR. TATE: But we do believe we have a  
11 range; is that fair to say?

12 MR. GRADY: I think so, Your Honor.

13 THE COURT: All right. Give me the range.

14 MR. GRADY: I'll speak out of turn. We  
15 have owned the property for a couple weeks and really have no  
16 idea. Vidant indicates that the out-of-pocket expenses I  
17 believe, Mary Beth, are \$60,000 a month so you divide by two  
18 that's \$30,000. Counsel has a different number.

19 MR. TATE: We called our -- the main thing  
20 we want is the utilities to be left on and we called our, the  
21 town -- the financial officer of the town and he said that the  
22 bill, typical bill, last month's bill was \$29,000.

23 THE COURT: So 29 and 30, ain't much  
24 difference; is there?

25 MR. GRADY: I think we're saying \$30,000

1 for two weeks and he's saying --

2 MR. TATE: Oh, yeah. We're saying 29,000 a  
3 month and they're saying 30,000 for two weeks.

4 MR. McSURLEY: We're saying fourteen five  
5 versus 30.

6 MR. TATE: 14,500 for two weeks.

7 THE COURT: Are you saying 14,500 or are  
8 you saying one thousand four?

9 MR. McSURLEY: 14,500 is half 29,000.

10 THE COURT: All right. Just want to make  
11 sure where you are. All right.

12 Set bond at \$15,000. You will enjoin the order to  
13 make sure that you add the other party as requested by the  
14 other side. Sir, I have no say to where you move it to.  
15 That's your right. You don't need my permission.

16 MR. GRADY: Your Honor, where are we going to be on  
17 the 25th if I may ask?

18 THE COURT: I am holding court, return it  
19 back to me. I will be in the district Washington County which  
20 is Plymouth. I believe that is ten days per the statute. The  
21 actual -- it's actually more but the 24th would be the actual  
22 date so according to the rules we move it over to Friday, I  
23 mean to Monday, from that Sunday to Monday.

24 MR. McSURELY: We have an order for you,  
25 Your Honor. Do you want to see it?

1 THE COURT: Did you show it to the other  
2 side?

3 MR. McSURELY: We just did.

4 THE COURT: What do you mean you just did?  
5 Did you show it to them back there?

6 MR. McSURELY: Yeah.

7 THE COURT: Hand it up. Does it include  
8 the Pungo District as requested?

9 MR. GRADY: No, sir, it does not.

10 MR. TATE: We'll put that in.

11 THE COURT: That's a part of the order.

12 MR. GRADY: Perhaps we could make the  
13 adjustments necessary and then tender it to you shortly. We  
14 all know what Your Honor wants us to do and not do between now  
15 and --

16 THE COURT: The only problem is if I die on  
17 the highway tomorrow morning I want my order in place. I'm  
18 getting ready to hit the road so -- Bill, let them have the  
19 computer in the office if they can, can they use that?

20 MR. NICHOLLS: Sure.

21 THE COURT: There's a computer available in  
22 my office. I'll sit here until you get it done and when I  
23 leave here I'm going to be through with this matter until I  
24 come back, if it's still in my jurisdiction.

25 MR. GRADY: Thank you, Your Honor.

1 (Court stood at ease.)

2 THE COURT: Anything further, ladies and  
3 gentlemen?

4 MR. GRADY: Judge, thank you.

5 THE COURT: Thank you so very much.

6 MR. McSURELY: Thank you.

7 MR. TATE: Thank you.

8 (The foregoing proceedings concluded at 4:28 p.m.)

9 **[END OF TRANSCRIPT]**

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**CERTIFICATE**

STATE OF NORTH CAROLINA

COUNTY OF BEAUFORT

I, LORETTA PICHEY, Registered Professional Reporter, the officer before whom the foregoing proceeding was taken, do hereby certify that said hearing, pages 1 through 24 inclusive, is a true, correct and verbatim transcript of said proceeding.

I further certify that I am neither counsel for, related to, nor employed by any of the parties to the action in which this proceeding was heard; and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, and am not financially or otherwise interested in the outcome of the action.



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LORETTA PICHEY, R.P.R.  
Official Court Reporter



STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT

IN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION  
CASE NO.

TOWN OF BELHAVEN, NC; and THE  
NORTH CAROLINA NAACP STATE  
CONFERENCE OF BRANCHES, THE  
HYDE COUNTY NAACP BRANCH, and  
THE BEAUFORT COUNTY NAACP BRANCH,

Plaintiff,

vs.

PANTEGO CREEK, LLC; and  
VIDANT HEALTH, INC.,

Defendants.

**CERTIFICATE OF DELIVERY**

This is to certify that the transcript in the  
above-entitled case was requested of Loretta Pichey on the  
14th day of August 2014 and was delivered to the attorney as  
indicated below on the 23rd day of August 2014.

LORETTA PICHEY

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